



MEMORANDUM

TO: Community and Economic Development Committee
 FROM: Nikki Gerhard, Community Development Specialist
 DATE: July 27, 2016
 RE: Reallocation of 2016 CDBG Funding - CRITICAL TIMING

On March 9, 2016, the CEDC approved the final 2016 CDBG award allocations for the public service applicants. The awards were disbursed among 5 sub-recipients and totaled \$80,299, maximizing the 15 percent cap on public service activity funding. Unfortunately, one of the public service awardees, NAMI Fox Valley, recently rescinded their award due to unforeseen curriculum delays. Because of this, an additional \$15,460 of public service funding is available for reallocation to the remaining 4 sub-recipients.

Each of the remaining public service sub-recipients were contacted and expressed much interest in receiving additional funding. Therefore, the available funds are recommended to be disbursed as follows:

- Increase STEP Industries award by \$10,266 to fund at 77% of request, originally comparable to other sub-recipients;
- Disbursing remainder of available funds (\$5,194) equally to each of the 4 sub-recipients (\$1,298.50 each)

Please find a breakdown below further illustrating the suggested increases.

	Amount Requested	Council Approved Allocation	% of Original Request Funded	Suggested Revised Allocation	\$ Increase	% of Adjusted Funds Requested
Harbor House	\$ 27,500.00	\$ 21,085.00	77%	\$ 22,383.50	\$ 1,298.50	81%
Homeless Connections	\$ 20,000.00	\$ 15,460.00	77%	\$ 16,758.50	\$ 1,298.50	84%
LEAVEN	\$ 20,000.00	\$ 15,460.00	77%	\$ 16,758.50	\$ 1,298.50	84%
STEP Industries	\$ 30,000.00	\$ 12,834.00	43%	\$ 24,398.50	\$ 11,564.50	81%
NAMI	\$ 23,440.00	\$15,460.00	66%	-	-	-

Timeliness of the reallocation is crucial as sub-recipient contracts have not been established for the 2016 program year due to HUD delays in issuing the awards. CDBG staff anticipates receiving the HUD award and establishing the sub-recipient contracts in mid-August and would prefer to incorporate the adjusted allocations at that time.

If you have any questions, please contact me at 832-6469 or nikki.gerhard@appleton.org. Thank you!